

Macroeconomic Principles (ECON-104-C01)

Zachary D. Cady

Summer 2022

Monday, Tuesday, Wednesday, and Thursday, 1:30 p.m. - 3:35 p.m.

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Objectives:

This course is intended as an introduction to macroeconomic theory. It is designed so as to expose undergraduate students with little to no understanding of the basic theories of macroeconomic forces to the intuition behind these theories and to afford them the chance to see how these theories play out in the real world.

Textbook:

Modern Principles: Macroeconomics, Tyler Cowen and Alex Tabarrok, 5th edition

Office Hours:

I schedule office hours according to student need. If you wish to meet, please e-mail me your available times and I will arrange to either Zoom you or meet you somewhere on campus.

Grading:

The standard grading structure for this course is as follows:

First Midterm Exam: 25%

Second Midterm Exam: 25%

Final Exam: 40%

Quizzes: 10%

The first midterm exam will cover content taught from the first lecture of the semester until the last lecture before the first midterm exam, the second midterm exam will cover content taught from the first lecture after the first midterm exam to the last lecture before the second midterm exam, and the final exam will be comprehensive. Both midterm exams will begin at 1:30 p.m. and end at 3:35 p.m. The final exam will begin at 1:30 p.m. and end at 4:15 p.m. No student will be granted extra time on any exam, unless such an extension has been approved by Disability Services. The quiz portion of the grade is based on seven quizzes that will be randomly given during the course of the semester, the lowest two of which will be dropped from overall course grade calculations (if you received your lowest quiz grade on more than two quizzes or if you received your second lowest quiz grade on more than that quiz, only two of those quiz grades will still be dropped). Each of the remaining 5 quizzes will count for 2% of your overall course grade. Also, if you obtain a grade on your final exam that is higher than one or both of your midterm exam grades, the final exam grade will replace the lower of your two midterm exam grades (if you obtain the same grade on both midterm exams, the final exam grade will still only

replace one of the midterm exam grades). In such a case, your grading structure for the overall course grade will essentially appear as follows:

Midterm Exam: 25%

Final Exam: 65%

Quizzes: 10%

Every student must hand back his or her exam to me during the lecture in which he or she receives it back for review. Failure to do so will result in a grade of 0% being recorded for the exam, regardless of what grade was earned. Additionally, if you miss an exam for a valid reason, you must e-mail me by 3:35 p.m. on whatever date is exactly 2 days after the date of the lecture during which the exam you missed was administered to schedule a make-up, unless there are circumstances preventing you from physically be able to do so. You must also have the make-up exam completed by 3:35 p.m. on whatever date is exactly 4 days after the date of the lecture during which the exam you missed was administered, unless there are circumstances preventing you from physically coming to campus. Quizzes may not be made-up under any circumstances whatsoever. If you wish to challenge your grade on a quiz or exam, please meet with me to discuss your challenge. Also, if you write your quizzes or exams in pencil, you may not challenge your grade once the quiz or exam is back in your hands. Finally, I do curve all overall course grades by 2% at the end of the semester to account for any errors or unintentional inconsistencies in my grading. This is the only curve I give.

Grading Scale:

97 - 100: A+

93 - 96: A

90 - 92: A-

87 - 89: B+

83 - 86: B

80 - 82: B-

77 - 79: C+

70 - 76: C

67 - 69: C-

60 - 69: D

59 and below: F

Special Accommodations:

If you are in need of special accommodations, please contact Disability Services. They are located in suite 2500 of Student Union Building I (SUB I). Their phone number is 703-993-2474 and their e-mail is ods@gmu.edu.

Honor Code:

You are required to abide by the George Mason Honor Code at all times. Any violations of the Honor Code will be referred to the Office of Academic Integrity.

Other Classroom Policies:

- Electronics of any sort, including cell phones, laptops, and calculators, may not be in use during any exam, though they may be utilized during lectures. If you have any electronic device visible or if any electronic device in your possession makes noise while you are taking an exam, you will receive a grade of 0% for your overall course grade.
- If you are being loud or disruptive, you will be asked to exit the classroom. Failure to comply with this request will result in a grade of 0% being given for your overall course grade.
- You may not record any lectures with any type of device for any reason, unless such a recording is part of an accommodation approved by Disability Services.
- I reserve the right to modify this syllabus as I see fit at any point during the course of the semester.

Course Schedule and Readings:

Week 1 (Week of June 27)

Subject: GDP and the Wealth of Nations

Readings:

- Cowen and Tabarrok, Chapter 1, Chapter 6, and Chapter 7

Week 2 (Week of July 4)

FIRST MIDTERM EXAM, July 7 (1:30 p.m. - 3:35 p.m.)

Subject: Growth, Capital, Saving, Investment, and Unemployment

Readings:

- Cowen and Tabarrok, Chapter 8, Chapter 9, and Chapter 11

Week 3 (Week of July 11)

Subject: Business Cycles and Monetary Theory

Readings:

- Cowen and Tabarrok, Chapter 12, Chapter 13, Chapter 15, and Chapter 16
- “On the Origin of Money” by Carl Menger
- “The Role of Monetary Policy” by Milton Friedman

Week 4 (Week of July 18)

Subject: International Trade and Finance and Fiscal Policy

Readings:

- Cowen and Tabarrok, Chapter 18, Chapter 19, and Chapter 20

Week 5 (Week of July 25)

SECOND MIDTERM EXAM, July 25 (1:30 p.m. - 3:35 p.m.)

FINAL EXAM, July 29 (1:30 p.m. - 4:15 p.m.)

Subject: Public Choice

Readings:

- Cowen and Tabarrok, Chapter 21

- “The Myth of the Rational Voter” by Bryan Caplan (read the Cato Unbound article, not the book)
- “The Welfare Costs of Tariffs, Monopolies, and Theft” by Gordon Tullock
- “Social Choice, Democracy, and Free Markets” by James Buchanan
- “Competition and Democracy” by Gary Becker
- “The Political Business Cycle” by William Nordhaus

COVID-19

For the latest updates on George Mason University’s COVID-19 policies, please visit the following website: <https://www.gmu.edu/safe-return-campus>.